



University of Colombo, Sri Lanka

University of Colombo School of Computing



**DEGREE OF BACHELOR OF INFORMATION TECHNOLOGY
(EXTERNAL)**

Academic Year 2024 — 3rd Year Examination — Semester 6

**EN6502 (R) — Introduction to Entrepreneurship
(Repeat Paper)**

Multiple Choice Question Paper
(1 Hour)

Important Instructions

- The duration of the paper is **1 Hour**.
- The medium of instructions and questions is English.
- This paper has **20 MCQ questions** on **5 pages**. Answer **all** questions.
- Each question will have **5 (five)** choices with **ONE OR MORE** correct answers.
- There will be a penalty for incorrect responses to discourage guessing.
- The mark given for a question will vary from -1 (All the incorrect choices are marked & no correct choices are marked) to +1 (All the correct choices are marked & no incorrect choices are marked). However, **the minimum mark per question would be zero**.
- Answers should be marked on the **special answer sheet** provided.
- Note that questions appear on both sides of the paper. If a page or part of a page is not printed, please inform the supervisor/invigilator immediately.
- Mark the correct choices on the question paper first and then transfer them to the given answer sheet which will be machine marked. **Please completely read and follow the instructions given on the other side of the answer sheet before you shade your correct choices.**
- Any electronic device capable of storing and retrieving text, including electronic dictionaries, smartwatches, and mobile phones, is not allowed.
- Calculators are **not** allowed.
- *All Rights Reserved*. This question paper can NOT be used without proper permission from the University of Colombo School of Computing.

- 1) Which of the following is/are (a) method/s of innovation in the context of entrepreneurship?

a) Copying	b) Extension of core product
c) Combination of existing ideas	d) Investment in stock market
e) Duplicating existing products	
- 2) Which of the following is/are considered (a) myth/s in entrepreneurship?

a) Entrepreneurs come in many personality types, not just introverted or quiet.
b) Entrepreneurs are born, not made.
c) There is no single “entrepreneur profile” that everyone must fit.
d) Entrepreneurs are reckless gamblers who take extreme risks.
e) Academic degrees can help, but are not a requirement for entrepreneurship.
- 3) Which of the following reflect/s the conceptual skills in entrepreneurship?

a) Training employees to operate new machinery.
b) Identifying new markets and developing growth strategies.
c) Planning by forecasting returns and adjusting resources.
d) Approving leave requests.
e) Accepting business challenges through rational thinking.
- 4) Which of the following is/are a/the leadership style/s associated with entrepreneurship?

a) Transformational	b) Participative	c) Deficient
d) Discreet	e) Cogent	
- 5) Which of the following strategic tool/s is/are most appropriate for evaluating external challenges and competitive dynamics of an organization?

a) Force Field Theory Analysis	b) Free Cycle Approach
c) TWOs Analysis	d) Porter’s Five Forces Analysis
e) PESTEL Analysis	
- 6) Which of the following strategy/strategies best align with Porter’s Generic Strategies and its/their intended market effect?

a) Cost Leadership – Launching a product with premium packaging and advertising.
b) Differentiation – Creating an eco-friendly product line for a health-conscious demographic
c) Focus Strategy – Segmenting by geographic and psychographic attributes for targeted campaigns
d) Differentiation – Reducing operational costs to offer lower prices
e) Focus Strategy – Offering personalized services to a niche market segment

- 7) Which of the following business strategies is/are best classified under the "Product Development" and "Market Development" quadrants of the Ansoff Matrix?
- | |
|---|
| <ul style="list-style-type: none"> a) Launching a new range of eco-friendly cleaning products to your existing customer base. b) Selling an existing energy drink in a new geographic region with low brand awareness. c) Opening a new store offering the same products in a region where your brand is already well known. d) Reducing prices of your existing products to attract more buyers in the current market. e) Developing an entirely new product category for an unexplored international audience. |
|---|
- 8) Which of the following business organization type/s limit/s the liability of owners?
- | | | |
|--|--|--|
| <ul style="list-style-type: none"> 1) Sole Proprietorship 4) Franchise | <ul style="list-style-type: none"> 2) Partnership 5) Limited Liability Company | <ul style="list-style-type: none"> 3) Union |
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- 9) Which of the following is/are recognized as pricing strategies used by businesses?
- | | |
|--|---|
| <ul style="list-style-type: none"> a) Penetration Pricing c) Diversification Pricing e) Premium Pricing | <ul style="list-style-type: none"> b) Skimming Pricing d) Psychological Pricing |
|--|---|
- 10) When selecting suppliers for a new business, which of the following practice/s is/are considered strategically sound?
- | |
|--|
| <ul style="list-style-type: none"> 1) Choose the cheapest supplier available regardless of terms. 2) Negotiate service levels and expectations before any transactions. 3) Prioritize local suppliers only to reduce transportation cost. 4) Credit-check suppliers to ensure their financial stability. 5) Select suppliers based on long-term contracts without evaluating quality. |
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- 11) Which of the following is/are (an) important part/s of a standard business plan?
- | | |
|--|---|
| <ul style="list-style-type: none"> a) Title page and Executive Summary c) Market and Competition Analysis e) Personal goals of the business owner | <ul style="list-style-type: none"> b) Employee names and addresses d) Financing details |
|--|---|
- 12) Which type/s of feasibility assess/es whether a proposed business or system complies with existing laws such as data protection or social media policies?
- | | |
|---|--|
| <ul style="list-style-type: none"> a) Operational Feasibility c) Legal Feasibility e) Schedule Feasibility | <ul style="list-style-type: none"> b) Economic Feasibility d) Cultural Feasibility |
|---|--|

13) Which of the following accurately reflect/s the business ideas and business opportunities?

- a) Business ideas are rare and difficult to perceive.
- b) Business opportunities are practically implementable.
- c) Business ideas usually originate from competitors' business models.
- d) Not all business ideas qualify as viable opportunities.
- e) Everyone can equally identify business opportunities among ideas.

14) Which of the following is/are (a) valid example/s of user status categories in behavioristic segmentation?

- | | | |
|--------------------|---------------------|---------------|
| a) First-time User | b) Brand Ambassador | c) Influencer |
| d) Regular User | e) Non-user | |

15) Which of the following criterion/criteria must simultaneously be satisfied for a market segment to be actionable and worthwhile for a firm's attention?

- a) Segment should be heterogeneous across segments
- b) Segment must respond to a generic marketing mix.
- c) Segment must be measurable and substantial.
- d) Segment must be accessible and homogeneous internally.
- e) Segment should exhibit shifting brand loyalty over time.

16) A mid-sized consumer electronics firm wants to increase market penetration for its smart home devices. After research, it identifies four distinct customer segments:

- Tech-savvy early adopters
- Price-sensitive households
- Luxury-oriented smart home users
- Small businesses seeking automation

The firm has limited marketing resources and wants to maximize impact without diluting brand identity. Which target marketing strategy/strategies is/are most appropriate in this situation?

- a) Undifferentiated marketing – Focus on a single offering to appeal broadly to all segments.
- b) Differentiated marketing – Tailor different product lines and messaging for each segment identified.
- c) Focused marketing – Prioritize a single high-value segment such as luxury-oriented home users.
- d) Customised marketing – Develop unique marketing mixes for every individual customer.
- e) Segment dismissal strategy – Eliminate lower-margin segments entirely to streamline branding

- 17) Which of the following would increase a company's gross profit?
- | | | |
|------------------------------|----------------------|----------------------|
| a) Higher cost of goods sold | b) High cash sales | c) Less losing stock |
| d) High credit sales | e) Less credit sales | |
- 18) A business had the following during a year:
- Cash sales: Rs. 40,000
 - Credit sales: Rs. 60,000
 - Opening stock: Rs. 10,000
 - Purchases: Rs. 50,000
 - Closing stock: Rs. 20,000
- What is the gross profit for the year?
- | | | |
|---------------|---------------|---------------|
| a) Rs. 40,000 | b) Rs. 60,000 | c) Rs. 70,000 |
| d) Rs. 50,000 | e) Rs. 30,000 | |
- 19) A company reports the following:
- Current Assets: Rs. 90,000
 - Inventory: Rs. 30,000
 - Current Liabilities: Rs. 30,000
 - Land and Buildings: Rs. 500,000
 - Capital Reserves: Rs. 200,000
- What is the Quick Ratio?
- | | | |
|------|------|------|
| a) 1 | b) 2 | c) 3 |
| d) 4 | e) 5 | |
- 20) Which of the following behavior/s best describe/s a risk-averse entrepreneur?
- | |
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| a) Avoids risky investments unless potential gains clearly outweigh the risks. |
| b) Prefers stable, low-risk options with predictable outcomes. |
| c) Ignores risk management strategies to save time and money. |
| d) Pursues risky ideas for the excitement, even with little data. |
| e) Always copies what competitors do, regardless of risk level. |
